

**MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

March 20, 2012

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, March 20, 2012 at approximately 8:40 a.m. at the CHA Corporate Offices, 60 East Van Buren, 12th Floor Loft in Chicago, IL.

Chairwoman Z. Scott called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Deverra Beverly Dr. Mildred Harris Myra King Carlos Ponce Z. Scott Sandra Young
Absent:	Adela Cepeda Mark Cozzi Bridget Reidy

Also present were Charles Woodyard, Chief Executive Officer; Kris Warren, Chief of Staff; Scott Ammarell, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Upon Motion made and properly seconded, the Commissioners adjourned to Executive Session. Chairwoman Scott, announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one hour to possibly discuss pending, probable or imminent litigation, personnel related matters, collective negotiating matters, purchase sale and lease of real estate property; establishment of reserves and settlement of claims.

The Commissioners subsequently reconvened in Open Session and Chairwoman Scott thereupon convened the Business and Public portion of the meeting.

Chairwoman Scott announced that Board members are aware of the letter from HUD dated January 5, 2012 on Section 3 findings. Per Chairwoman Scott, CHA is reviewing and developing a formal response from the Board and the CHA.

Upon Motion made by Commissioner Ponce and properly seconded by Commissioner Harris, the Executive Session Minutes February 21, 2012 were unanimously approved.

According to Chairwoman Scott, on Wednesday, March 14th, the day of the regularly scheduled Committee Meetings, several Commissioners were either scheduled to be out of town, had last minute changes on their schedule or were under the weather. Committee Meetings were therefore cancelled due to quorum issues. Commissioner Scott continued by saying that items, scheduled to come before the Board for consideration, will therefore be introduced separately and staff will provide the Board with a brief description of the recommended action. After Commissioners have had an opportunity to ask questions, the general public will be given an opportunity to ask questions on the specific item being presented. General comments by the public will be entertained later in the Public Session portion of the Agenda.

(Item No. 1)

The resolution for Item No. 1 approves award of contracts to First Specialty Insurance, Illinois Union and Allied World Assurance Company, for the Private Managers Insurance Program's (PMIP) General Liability, Excess Liability, and Umbrella Liability coverages. PMIP is a CHA

controlled insurance program that ensures that the Authority has the necessary insurance protection for general liabilities associated with the management of its housing portfolio. This program provides the most cost effective insurance solution for the portfolio, while maintaining coverage standards that are difficult for property management firms to procure individually. All costs associated with the program (i.e. insurance premiums, claim and broker administration fees), are deducted from the participating Private Property Management Firm's operating budgets. In recent years, both AON, the HUD approved Broker of Record, and CHA Risk Management has made concerted efforts to increase the marketability of the Authority's PMIP program to insurers. Property tours were conducted with underwriters; portfolio composition information was presented in formats previously unavailable; and, internal claims information and analysis were provided to the insurers. As the Plan For Transformation matures, along with improving claims experience, implementation and focus on risk control programs, the CHA should benefit in future renewals as insurers become more comfortable with CHA exposures. Aon directly and indirectly (through one wholesaler) solicited requests for insurance premium quotes from 18 insurance carriers in January 2012. The incumbent general liability carrier, First Specialty, was the only insurance company to submit a premium quote for the general liability primary coverage layer, but also expanded coverage for certain pollution perils with a slight decrease in pricing for the contract year about to expire. All other insurers declined to provide premium quotes for CHA's PMIP due to the class of business (multi-family and public housing), inability to meet expiring pricing or non-competitive retention levels. The incumbent carrier for the excess liability layer, Illinois Union, offered to renew at the same premium amount and was also the only insurer to provide a quote for this layer of coverage. CHA received two quotes for the Umbrella Liability layers. The recommended awardee AWAC offered the existing coverage at a \$10,000 savings. The aggregate total premium is \$1,203,832, representing an overall decrease of 1.4% in premium costs for the PMIP program from the previous contract year.

Commissioner Young then presented a Motion for the approval of the resolution for Item A1:

RESOLUTION NO. 2012-CHA-17

WHEREAS, the Board of Commissioners has reviewed Board Letter dated March 14, 2012, entitled "Authorization to enter into contracts with First Specialty Insurance, Illinois Union, and Allied World Assurance Company, for the Private Managers Insurance Program's General Liability, Excess Liability, and Umbrella Liability Insurance Coverages";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into contracts for the Private Managers Insurance Program, through Aon Risk Services Central, Inc., with: (1) First Specialty Insurance (General Liability) in the amount of \$541,828; (2) Illinois Union (Excess Liability) in the amount of \$475,524; and (3) Allied World Assurance Company (Umbrella Liability) in the amount of \$186,480 for an aggregate total amount of \$1,203,832 for the period April 1, 2012 through March 31, 2013.

The Motion to approve Item No. 1 was seconded by Commissioner Ponce and the voting was as follows:

Ayes:	Deverra Beverly Dr. Mildred Harris Myra King Carlos Ponce Z. Scott Sandra Young
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Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

(Item No. 2)

The resolution for Item No. 2 approves the submittal of the FY2011 Moving To Work Annual Report to HUD. Under the MTW Agreement, CHA is required to produce and submit an Annual Report to HUD outlining the progress toward commitments made in the original Plan for Transformation and each Annual Plan. HUD requires this report to be submitted annually, along with a Board of Commissioners' resolution approving this report, no later than 90 days after the

end of CHA's fiscal year. CHA must submit the FY2011 MTW Annual Report to HUD on March 30, 2012. The FY2011 MTW Annual Report provides information necessary for HUD to assess CHA's performance in 2011 regarding both day-to-day operations and activities authorized by the MTW Demonstration Program. The FY2011 MTW Annual Report is included with this resolution for the Board of Commissioners' review and approval.

Commissioner Harris then introduced a Motion for the approval of the Resolution for Item No. 2

RESOLUTION NO. 2012-CHA-18

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated March 14, 2012, requesting approval of the FY2011 Moving to Work Annual Report, attached hereto.

THEREFORE, BE IT RESOLVED BY CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached FY2011 Moving to Work Annual Report and grants authorization to the Chief Executive Officer, the Board Chairperson, or their designee to make any final changes as deemed necessary.

THAT the Board of Commissioners grants authorization to submit the FY2011 Moving to Work Annual Report to the U.S. Department of Housing and Urban Development on March 30, 2012. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.

The Motion to approve Item No. 2 was seconded by Commissioner Young and the voting was as follows:

Ayes: Deverra Beverly
Dr. Mildred Harris
Myra King
Carlos Ponce
Z. Scott
Sandra Young

Nays: None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted

(Item No. 3)

In December 2011 the CHA advertised a Request for Proposal (RFP) to solicit consultants and/or firms to implement CHA's Learn and Earn summer youth program, a six-week academic enrichment and career exploration program for CHA youth, ages 13-15. The RFP was advertised in area newspapers, the CHA website, and BuySpeed. The CHA also directly solicited 159 firms, including 23 MBE/WBE/DBE firms. The CHA received and evaluated the five proposals received. After the Evaluation Committee completed its analysis of the proposals, a competitive range was set and approved by the Contracting Officer, and 4 firms were found to be within the competitive range, and oral presentations were scheduled. During these meetings, negotiations were held and best and final offers were submitted by each firm. Based upon the evaluations of the written proposals, oral presentations and best and final offers, it was determined that Catholic Charities, SER, Summer Advantage and UCAN will provide the best overall service and value to CHA. The average cost per participant of the program will be approximately \$2,000. Based on experience, it is necessary to maintain a ratio of 1:10 (instructors to youth) in the Program, with 62% of the per participant cost being dedicated to wages for teachers and support staff. The impetus for the Program arose in 2008 when several CHA Commissioners raised concerns that youth in this age group lacked opportunities during the summer because they are too old for Chicago Park District summer camps and too young for summer employment. The Program was piloted in 2008 for 140 CHA youth. In 2009, the Program was expanded to accommodate 310 participants. Learn and Earn was increased to the current 700 slots in 2010 and 2011 (721 youth enrolled in 2011). The four selected Contractors have a unique combination of experience with the Program. Catholic Charities will operate the Program at Malcolm X College and Kennedy King College for 200 CHA youth. In 2011, DFSS also selected Catholic Charities as a new Learn and Earn provider and they were satisfied with their performance. UCAN will operate the Program at Olive Harvey College for 180 CHA youth. UCAN has been a Learn and Earn provider since the program's inception in 2008. DFSS and CHA have been satisfied their

performance. SER will operate the Program at Dawson Tech and Harold Washington College for 200 CHA youth. SER has also been a Learn and Earn provider since the program's inception and DFSS and CHA have been satisfied with their performance. Summer Advantage will operate the Program at Truman College and West Side Tech for 120 CHA youth. Summer Advantage has received national recognition for a similar summer enrichment program implemented across the country, including within several charter schools in Chicago. In 2011, DFSS selected Summer Advantage to implement the curriculum for all Program sites. CHA will also be utilizing Summer Advantage to implement the curriculum and conduct pre- and post-tests at all Program sites.

Commissioner Young then introduced a Motion for the approval of the following resolution for Item No. 3.

RESOLUTION NO. 2012-CHA-19

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 14, 2012, entitled "AUTHORIZATION TO ENTER INTO CONTRACTS WITH CATHOLIC CHARITIES, CENTRAL STATES SER, INC., SUMMER ADVANTAGE AND UHLICH CHIRLDREN'S ADVANTAGE NETWORK TO IMPLEMENT THE LEARN AND EARN SUMMER YOUTH PROGRAM";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into cost reimbursement contracts for a one year term, with 3 1-year options, with: (1) Catholic Charities in an amount not-to-exceed \$386,920 for the initial term; (2) SER in an amount not to exceed \$400,000 for the initial term; (3) Summer Advantage in an amount not to exceed \$283,772 for the initial term; and (4) UCAN in an amount not to exceed \$350,709 for the initial term, to implement CHA's Learn and Earn summer youth program for CHA youth ages 13-15. These amounts are exclusive of the approximate \$420,000 in stipends (up to \$600 per student based on attendance) that will be paid to program participants by CHA.

The Motion to approve Item No. 3 was seconded by Commissioner Ponce and the voting was as follows:

Ayes:	Deverra Beverly Dr. Mildred Harris Myra King Carlos Ponce Z. Scott Sandra Young
Nays:	None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

(Item No. 4)

In June 2011, the Board of Commissioners authorized the CHA to acquire 515 West Oak Street, Chicago, Illinois as part of ongoing redevelopment and revitalization efforts on and around the former Cabrini-Green public housing sites. The 0.225-acre site includes an abandoned and deteriorating church building that has sat vacant for approximately ten years. The site lies directly to the north of the Cabrini Row Houses. The CHA has worked with the City's Building Department to work out a schedule for demolition. Demolition must commence by May 31, 2012 or the City's Building Department could start to assess fines. Accordingly, in December 2011, CHA advertised an Invitation for Bid (IFB) for demolition services to raze the building. The IFB was advertised in area newspapers, on the CHA website and on BuySpeed Online. Of the three bids received, staff held a pre-award survey/clarification meeting with the apparent low bidder, N.F. Demolition, Inc. and has determined that N.F. Demolition is the lowest responsive and responsible bidder at \$220,535.00.

Commissioner Ponce then introduced a Motion for the approval of Item No. 4.

RESOLUTION NO. 2012-CHA-20

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated March 14, 2012, entitled "AUTHORIZATION TO ENTER INTO A CONTRACT WITH N.F. DEMOLITION, INC. FOR DEMOLITION AT 515 W. OAK STREET";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a contract with N.F. Demolition, Inc. in the amount of \$220,535.00 for demolition services at 515 W. Oak Street in Chicago, IL. Work is to be completed by no later than ninety (90) calendar days from the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

The Motion to approve Item No. 4 was seconded by Commissioner Young and the voting was as follows:

Ayes: Deverra Beverly
Dr. Mildred Harris
Myra King
Carlos Ponce
Z. Scott
Sandra Young

Nays: None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted

(Item No. 5)

The CHA advertised an Invitation for Bid (IFB) on December 5, 2011 for Envelope Improvements for Water Infiltration at Daniel H. Burnham Apartments (1930 W. Loyola). The IFB was advertised in area newspapers, on the CHA website and on BuySpeed Online. Of the four bids received and opened, the apparent low bidder was Friedler Construction Co. Staff has completed its own review of the bid materials and determined that Friedler Construction Co. is the lowest responsive and responsible bidder at \$1,703,800.00. Daniel Hudson Burnham Apartments is a 181-unit senior housing building located at 1930 West Loyola in Chicago, Illinois. The building was constructed in 1984. Shortly after construction, the building began to experience water infiltration issues, and those issues have persisted over the course of the building's life. The CHA has contracted with a number of design and construction firms over the years to eliminate the problems. While the problem has been mitigated by these efforts, water infiltration has not been completely eliminated. In 2011, the CHA engaged the architectural firm of Holabird & Root to investigate the infiltration issues. Through exploratory demolition of several exterior wall assemblies, including window assemblies, the parties discovered areas around the window assemblies that lack sufficient flashing, a water-impermeable barrier that prevents moisture from entering the interior of the building. Prior investigations had not uncovered this issue. Holabird & Root, under the supervision of the CHA, designed a solution that includes additional flashing at the intersection of the window assembly and brick façade. The parties then conducted extensive water spray testing to assess the solution's effectiveness. The results indicate the solution will eliminate any remaining water infiltration. The existing windows are at the end of their useful life. So, rather than removing the existing window assemblies, implementing the solution, then reinstalling the current windows, CHA staff believes the process should include the installation of new windows.

The construction duration will be eight months. It will involve phasing but no relocation of the residents. The General Contractor will coordinate construction activities with the Private Property Manager on a tier-by-tier basis to keep the residents aware of the work performed in their units.

Commissioner Young then introduced a Motion for the approval of Item No. 5.

RESOLUTION NO. 2012-CHA-21

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated March 14, 2012 entitled "AUTHORIZATION TO ENTER INTO A CONTRACT WITH FRIEDLER CONSTRUCTION CO. FOR BUILDING ENVELOPE IMPROVEMENTS TO ELIMINATE WATER INFILTRATION AT DANIEL HUDSON BURNHAM APARTMENTS (1930 W. LOYOLA AVE.)";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a contract with Friedler Construction Co. in the amount of \$1,703,800.00 for building envelope improvements to eliminate water infiltration at Daniel Hudson Burnham Apartments, a senior housing development located at 1930 West Loyola Avenue in Chicago, IL. Work is to be completed by no later than two hundred forty (240) calendar days from the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

The Motion to approve Item No. 5 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Deverra Beverly
Dr. Mildred Harris
Myra King
Carlos Ponce
Z. Scott
Sandra Young

Nays: None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted

(Item No. 6)

The resolution for Item No. 6 approves a Housing Assistance Payment (HAP) contract with TreMarq Partners for 4 of 10 units at 1531-39 W. 90th St. in the Washington Heights community to increase the supply of long-term, quality affordable housing opportunities in healthy neighborhoods for households on CHA waiting lists. The proposed property is a 2-story white brick garden walk-up building with two entrances. Located in the Washington Heights community area, the building serves working individuals/couples with ten 1-bedroom apartments. Each apartment has been renovated and averages 550 square feet. The development has been owned and managed by TreMarq Partners for 13 years. TreMarq Partners was founded by Robert Johnson in 1996. During the past 16 years, TreMarq Partners has purchased, rehabbed and managed 19 units of affordable housing in five buildings. TreMarq Partners is a new participant in the PRA Program. The term of the contract is for five years with an annual contract maximum of \$37,200. After contract execution, CHA will refer applicants from its waiting lists for these vacant units.

Commissioner Harris then introduced a Motion for the approval of Item No. 6.

RESOLUTION NO. 2012-CHA-22

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated March 14, 2012 requesting authorization to 1) execute a Housing Assistance Payment (HAP) Contract for 1531-1539 W. 90th Street and 2) execute all other documents as may be necessary or appropriate to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) execute a Housing Assistance Payment (HAP) Contract for 1531-1539 W. 90th Street and 2) execute all other documents as may be necessary or appropriate to implement the foregoing.

The Motion to approve Item No. 6 was seconded by Commissioner Young and the voting was as follows:

Ayes: Deverra Beverly
Dr. Mildred Harris
Myra King
Carlos Ponce
Z. Scott
Sandra Young

Nays: None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted

Chairwoman Scott then invited residents and the public at large to address the Board.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned

s/b: Z. Scott
Chairwoman, Chicago Housing Authority

s/b: Lee Chuc-Gill, Custodian and
Keeper of Records